



PANCRETA BANK

INTERIM FINANCIAL STATEMENTS

(In compliance with IAS 34)

Period (1.1.2020 to 30.06.2020)

PANCRETA BANK S.A.
5 Ikarou Avenue,
P.C. 71306,
Heraklion, Crete
www.pancretabank.gr



(Potential differences in the amounts are due to rounding)

Name	Pancreta Bank S.A.
Legal Framework	<p>Derived from the transformation of the credit cooperative institution under the name "PANCRETA COOPERATIVE BANK" which took place under (i) the decision of 28.06.2020 of the General Assembly of its members, which was registered in Hellenic Business Registry on 24.07.2020 with K.A.K. 2181040 (ii) the transformation of the cooperative institution into a societe anonyme according to 17092 / 03-07-2020 transformation document issued by the notary of Heraklion Styliani Kalogeraki- Archontaki, registered in Hellenic Business on 24.07.2020 with K.A.K. 2181075 and iii) the Decision No. 4909 / 24.07.2020 (ΑΔΑ 61Μ4469ΗΛΞ - Θ4Θ) of the Head of the Hellenic Business Registry Service of the Chamber of Heraklion.</p> <p>The framework of foundation, operation and activity of the Bank is defined by the provisions of: a) Laws 4548/2018 as applicable, b) Law 4261/5.5.2014, c) AG/BoG 258/2.11.1993, as well as, d) the Bank's Charter.</p>
Year of foundation	1993
Operating License of Cooperative Credit Institution	Bank of Greece Governor's Act 2306/19.5.1994
Number of Branches	40 branches , 11 sub-branches, 61 A.T.M.s
Hellenic Business Registry Number	77156527000
T.I.N. - Tax Authority	096121548 , Tax Authority of Heraklion
Address	5 Ikarou Avenue, P.C. 71306, Heraklion, Crete
Phone	2810 338800
Website	www.pancretabank.gr
E-mail Address	mail_info@pancretabank.gr
Composition of Board of Directors	
Executive Members	
President	Georgios Kourletakis
Member	Konstantinos Sofronas
Non-Executive Members	
A' Vice President	Iosif Sifakis
B' Vice President	Antonios Vasilakis
Members	Emmanouil Manolidakis
	Iordanis Hatzikonstantinou
	Konstantinos Papadakis
	Georgios Kaloutsakis
	Thomas Xaritakis
	Stylios Vorgias



Representations of the Board of Directors

The below statements are made by the following Members of the Board of Directors of Pancreta Bank S.A.:

1. Georgios Kourletakis, President of the Board of Directors,
2. Antonios Vasilakis, 2nd Vice-President of the Board of Directors and
3. Konstantinos Sofronas , Executive Member of the Board of Directors

We certify, that as far as we know:

The six-month Financial Statements for the period 01.01-30.06.2020 , prepared according to IAS 34, present truly and fairly the Assets and Liabilities, the Equity and the Financial Results of Pancreta Bank S.A.

Heraklion, September 7th, 2020

**The President of the Board
of Directors**

**The Designees
Assigned members of the BoD**

Georgios Kourletakis

Antonios Vasilakis

Konstantinos Sofronas



Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of «PANCRETA COOPERATIVE SOCIETE ANONYME»

Introduction

We have reviewed the accompanying financial statements of PANCRETA BANK SOCIETE ANONYME, which comprise the statement of financial position as of **June 30, 2020**, and the statements of income and comprehensive income, changes in equity and cash flows for the six-month period then ended, and the selected explanatory notes. The Bank's management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards as adopted by the European Union, and specifically with IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting".

Emphasis of matter

We draw your attention to note 2.2 of the financial statements, which refers to the financial effects of the health crisis on the Greek economy and the financial system. The slowdown in the economy is expected to increase the credit risk (SICR), which may lead to an increase in the expected credit losses (ECL) of the Bank. However, the final impact on the Bank and the economy in general will depend on the duration of the health crisis, its extent, the decisions of supervisory authorities and European institutions, and on compensatory government measures. In conclusion, it is not possible to make reliable forecasts regarding the evolution of the pandemic crisis and its consequences for the Bank's activity at this stage. Our opinion is not modified in respect of this matter.



Report on Other Legal and Regulatory Requirements

Our review did not identify any inconsistency or disparity of the six-month financial report as with the accompanying condensed interim financial information to the provisions of articles 2 and 3 of the Commission Delegated Regulation (EU) No 241/2014 of 7 January 2014 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards for Own Funds requirements for institutions.

Heraklion, September 7th, 2020

The Chartered Accountant

Emmanouil N. Diamantoulakis

SOEL Reg. Num. 13 101





Interim Financial Statement for the period 1.1.2020 – 30.06.2020

STATEMENT OF FINANCIAL POSITION

<i>Amounts in €</i>	30.06.2020	31.12.2019
Assets		
Cash and balances with Central Bank	232.947.635	314.992.636
Due from credit institutions	9.880.827	7.974.249
Financial assets at fair value through profit and loss	73.287.849	16.953.301
Financial assets at amortised cost	12.630.456	-
Loans and advances to customers	1.515.821.461	1.485.025.374
Less: Provisions for doubtful loans	(342.342.335)	(339.997.395)
Self-used property, plant and equipment	20.709.955	21.043.386
Investment property	15.667.000	15.667.000
Intangible assets	3.022.163	2.723.815
Rights from leases IFRS 16	4.296.765	4.661.715
Deferred tax assets	67.430.648	67.672.021
Other assets	46.006.734	46.640.061
Foreclosed assets	13.538.190	13.538.190
Total Assets	1.672.897.349	1.656.894.352
Liabilities		
Due to other financial institutions	152.943.959	165.600.315
Due to customers	1.371.915.442	1.334.094.788
Credit securities and other loan liabilities	47.892.920	47.869.661
Employee defined benefit obligations	2.740.699	2.622.733
Lease liabilities IFRS 16	4.450.345	4.772.206
Other liabilities	13.859.229	22.936.702
Total Liabilities	1.593.802.593	1.577.896.405
Equity		
Cooperative share capital	39.471.780	39.471.780
Amounts intended for the increase in share capital	11.560	-
Share premium	136.824.633	136.817.697
Other reserves	71.099.213	71.099.213
Retained earnings	(168.312.430)	(168.390.742)
Total Equity	79.094.755	78.997.948
Total Equity and Liabilities	1.672.897.349	1.656.894.352



STATEMENT OF COMPREHENSIVE INCOME	From January 1st to		From April 1st to	
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
Amounts in €				
Interest and similar Income	20.204.393	26.571.722	9.919.454	13.411.861
Interest expense and similar charges	(9.067.409)	(12.606.332)	(4.417.983)	(6.100.307)
Net interest income	11.136.984	13.965.390	5.501.472	7.311.554
Fee and commission income	4.110.162	4.649.381	1.889.304	2.616.001
Commission expense	(2.075.292)	(2.126.269)	(1.111.834)	(1.190.082)
Net fee and commission income	2.034.871	2.523.112	777.469	1.425.919
Dividend income	20.942	15.584	19.846	14.705
Results of financial transactions	3.231.098	1.113.318	3.096.462	552.574
Other income	315.474	359.186	133.221	179.863
Total Income	16.739.368	17.976.590	9.528.469	9.484.615
Staff costs	(8.406.334)	(7.544.120)	(4.212.915)	(3.813.497)
General administrative expenses	(3.795.967)	(2.837.186)	(1.975.347)	(1.449.497)
Depreciation and amortization	(1.189.406)	(1.321.762)	(640.477)	(657.709)
Other expenses	(230.441)	(140.186)	(174.696)	(64.029)
Total Operating Expenses	(13.622.148)	(11.843.254)	(7.003.435)	(5.984.732)
Credit risk provisions	(2.450.000)	(4.120.303)	(845.794)	(3.595.303)
Revaluation gains /impairment losses	(364.487)	1.048.232	19.564	949.895
Other non-operating results	16.952	50.226	(33.474)	25.142
Profit/(loss) before tax	319.685	3.111.491	1.665.330	879.618
Deferred tax	(241.373)	(948.732)	(567.158)	(309.392)
Profit/(loss) after tax	78.312	2.162.759	1.098.173	570.226
Profit/(loss) after income tax	78.312	2.162.759	1.098.173	570.226
Net gains after tax	78.312	2.162.759	1.098.173	570.226
Weighted average number of cooperative shares	7.894.356	7.861.397	7.711.181	6.548.154
Basic earnings per cooperative share	0,01	0,28	0,14	0,09
Earnings before tax and allowances for loans	2.769.685	7.231.794	2.511.125	4.474.921



STATEMENT OF CHANGES IN EQUITY

<i>Amounts in €</i>	Cooperative Share capital	Share premium	Amounts intended for the increase in share capital	Statutory reserves	Fair value reserves	Other reserves	Retained earnings	Total
Balances at 31 December 2019, according to I.F.R.S.	39.471.780	136.817.697	-	15.105.153	1.853.591	54.140.469	(168.390.742)	78.997.948
Increase in cooperative share capital		6.936	11.560					18.496
Total comprehensive income							78.312	78.312
Balance of Equity at 30th of June 2020	39.471.780	136.824.633	11.560	15.105.153	1.853.591	54.140.469	(168.312.430)	79.094.755



STATEMENTS OF CASH FLOWS	From January 1st, to	
	30.06.2020	30.06.2019
Amounts in €		
Operating Activities		
Profit / (loss) before income tax	319.685	3.111.491
Adjustments for:		
Depreciation / impairment of fixed assets	705.717	712.508
Amortization of IFRS Rights 16	364.950	427.172
Depreciation / impairment of intangible assets	118.739	182.082
Provisions for loans and other impairments	2.450.000	4.120.303
Impairment of financial assets at fair value through P&L	(18.068)	(1.387.789)
Impairment of financial assets at amortised cost	382.555	-
Provisions for employee benefits	117.966	124.207
Financial transactions	(3.171.136)	(1.077.400)
Gains / losses from disposal of fixed assets	-	8.077
	1.270.408	6.220.651
Net (increase) / decrease in assets relating to operating activities		
Loans and advances to customers	(30.901.147)	(7.582.303)
Other assets	633.327	1.163.765
Net increase / (decrease) in liabilities relating to operating activities		
Due to credit institutions	(12.656.356)	(5.960.180)
Due to customers	37.820.654	39.317.005
Other liabilities	(9.077.473)	(1.423.074)
Leases paid	(321.861)	(370.469)
	(14.502.856)	25.144.744
Net cash flows from operating activities before taxes	(13.232.448)	31.365.395
Income taxes paid	-	-
Net cash flows from operating activities	(13.232.448)	31.365.395
Investing activities		
Acquisition of financial assets carried at fair value	(187.259.351)	(29.666.087)
Acquisition of financial assets carried at amortised cost	(2.456.250)	-
Acquisition of fixed and intangible assets	(789.374)	(495.693)
Acquisition of foreclosed assets	-	53.154
Proceeds from disposal of financial assets carried at fair value	123.557.245	26.618.968
Net cash flows from investing activities	(66.947.730)	(3.489.657)
Financing Activities		
Repayments of debt securities in issue and other borrowed funds	23.259	24.946
Net change in share capital	18.496	308.806
Net cash flows from financing activities	41.755	333.752
Net increase / (decrease) in cash flows	(80.138.422)	28.209.490
Cash and cash equivalents at the beginning of the year	322.966.884	252.492.261
Cash and cash equivalents at the end of the year	242.828.462	280.701.751